

STATE OF NEW YORK

5307--A

2025-2026 Regular Sessions

IN ASSEMBLY

February 13, 2025

Introduced by M. of A. PHEFFER AMATO, R. CARROLL, BURROUGHS, GRIFFIN -- read once and referred to the Committee on Governmental Employees -- recommitted to the Committee on Governmental Employees in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the retirement and social security law, the education law and the administrative code of the city of New York, in relation to providing cost-of-living adjustments

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision f of section 78-a of the retirement and social
2 security law, as added by chapter 125 of the laws of 2000, is amended to
3 read as follows:
4 f. Commencing September first, two thousand, all retired members who
5 have retired prior to the calendar year nineteen hundred ninety-seven
6 and who meet the eligibility criteria set forth in subdivision a of this
7 section shall be paid an adjusted benefit in monthly installments on the
8 basis provided for in this subdivision. Said adjusted benefit shall be
9 equal to a percentage of the change in consumer price index (all urban
10 consumers, CPI-U, U.S. city average, all items, 1982-84=100), published
11 by the United States bureau of labor statistics, measured from the year
12 of retirement through calendar year nineteen hundred ninety-seven
13 according to the following schedule:

14	Year of retirement	Percentage
15	1968 through 1996	50%
16	1966 and 1967	55%
17	1965	60%
18	1964	65%
19	1963	70%
20	1962	80%

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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1 Said adjusted benefit shall be computed on a base benefit amount not to
 2 exceed eighteen thousand dollars of the retirement allowance otherwise
 3 payable, computed without optional modification. Any benefit received
 4 pursuant to this subdivision shall be in lieu of any benefit received
 5 pursuant to section three hundred seventy-eight of this title.

6 Commencing September first, two thousand twenty-six, all retired
 7 members who have retired prior to the calendar year nineteen hundred
 8 ninety-seven and who meet the eligibility criteria set forth in subdivi-
 9 sion a of this section shall be paid an adjusted benefit in monthly
 10 installments on the basis provided for in this subdivision. Said
 11 adjusted benefit shall be equal to a percentage of the change in consum-
 12 er price index (all urban consumers, CPI-U, U.S. city average, all
 13 items, 1982-84=100), published by the United States bureau of labor
 14 statistics, measured from the year of retirement through calendar year
 15 nineteen hundred ninety-seven according to the following schedule:

<u>Year of retirement</u>	<u>Percentage</u>
<u>1973 through 1996</u>	<u>50%</u>
<u>1971 and 1972</u>	<u>55%</u>
<u>1970</u>	<u>60%</u>
<u>1969</u>	<u>65%</u>
<u>1968</u>	<u>70%</u>
<u>1967</u>	<u>80%</u>
<u>1966</u>	<u>90%</u>
<u>prior to 1966</u>	<u>100%</u>

25 Said adjusted benefit commencing September first, two thousand twenty-
 26 six, shall be computed on the base benefit amount of the retirement
 27 allowance otherwise payable, computed without optional modification, set
 28 forth herein above. Any benefit received pursuant to this subdivision
 29 shall be in lieu of any benefit received pursuant to section three
 30 hundred seventy-eight of this title.

31 § 3. Subdivision f of section 532-a of the education law, as added by
 32 chapter 125 of the laws of 2000, is amended to read as follows:

33 f. Commencing September first, two thousand, all retired members who
 34 have retired prior to the calendar year nineteen hundred ninety-seven
 35 and who meet the eligibility criteria set forth in subdivision a of this
 36 section shall be paid an adjusted benefit in monthly installments on the
 37 basis provided for in this subdivision. Said adjusted benefit shall be
 38 equal to a percentage of the change in consumer price index (all urban
 39 consumers, CPI-U, U.S. city average, all items, 1982-84=100), published
 40 by the United States bureau of labor statistics, measured from the year
 41 of retirement through calendar year nineteen hundred ninety-seven
 42 according to the following schedule:

Year of retirement	Percentage
1968 through 1996	50%
1966 and 1967	55%
1965	60%
1964	65%
1963	70%
1962	80%
1961	90%
prior to 1961	100%

52 Said adjusted benefit shall be computed on a base benefit amount not to
 53 exceed eighteen thousand dollars of the retirement allowance otherwise
 54 payable, computed without optional modification excluding any annuity
 55 derived from voluntary contributions made by members, except those made

1 pursuant to elections under subdivision one of section five hundred
 2 eleven-a or paragraph c of subdivision three of section five hundred
 3 sixteen of this article. Any benefits received pursuant to this subdivi-
 4 sion shall be in lieu of any benefits received pursuant to section five
 5 hundred thirty-two of this article, unless such benefits are in excess
 6 of those provided by this section, in which case such benefits shall be
 7 paid by the retirement system pursuant to such provision.

8 Commencing September first, two thousand twenty-six, all retired
 9 members who have retired prior to the calendar year nineteen hundred
 10 ninety-seven and who meet the eligibility criteria set forth in subdivi-
 11 sion a of this section shall be paid an adjusted benefit in monthly
 12 installments on the basis provided for in this subdivision. Said
 13 adjusted benefit shall be equal to a percentage of the change in consum-
 14 er price index (all urban consumers, CPI-U, U.S. city average, all
 15 items, 1982-84=100), published by the United States bureau of labor
 16 statistics, measured from the year of retirement through calendar year
 17 nineteen hundred ninety-seven according to the following schedule:

<u>Year of retirement</u>	<u>Percentage</u>
<u>1973 through 1996</u>	<u>50%</u>
<u>1971 and 1972</u>	<u>55%</u>
<u>1970</u>	<u>60%</u>
<u>1969</u>	<u>65%</u>
<u>1968</u>	<u>70%</u>
<u>1967</u>	<u>80%</u>
<u>1966</u>	<u>90%</u>
<u>prior to 1966</u>	<u>100%</u>

27 Said adjusted benefit, commencing September first, two thousand twenty-
 28 six, shall be computed on a base benefit amount not to exceed eighteen
 29 thousand dollars of the retirement allowance otherwise payable, computed
 30 without optional modification, set forth herein above. Any benefit
 31 received pursuant to this subdivision shall be in lieu of any benefit
 32 received pursuant to section five hundred thirty-two of this article,
 33 unless such benefits are in excess of those provided by this section, in
 34 which case such benefits shall be paid by the retirement system pursuant
 35 to such provision.

36 § 4. Subdivision f of section 13-696 of the administrative code of the
 37 city of New York, as added by chapter 125 of the laws of 2000, is
 38 amended to read as follows:

39 f. Commencing September first, two thousand, all retired members who
 40 have retired prior to the calendar year nineteen hundred ninety-seven
 41 and who meet the eligibility criteria set forth in subdivision a of this
 42 section shall be paid an adjusted benefit in monthly installments on the
 43 basis provided for in this subdivision. Said adjusted benefit shall be
 44 equal to a percentage of the change in consumer price index (all urban
 45 consumers, CPI-U, U.S. city average, all items, 1982-84=100), published
 46 by the United States bureau of labor statistics, measured from the year
 47 of retirement through calendar year nineteen hundred ninety-seven
 48 according to the following schedule:

Year of retirement	Percentage
1968 through 1996	50%
1966 and 1967	55%
1965	60%
1964	65%
1963	70%
1962	80%

Benefit improvements will be funded by increasing the billing rates charged annually. The annual contribution required of all participating employers in NYSLPFRS would be approximately \$1,800 to the state of New York and \$7,600 to the local participating employers.

This permanent annual cost will vary in future billing cycles with changes in the billing rate and salary of the affected members.

These estimated costs are based on 26 affected retirees and beneficiaries in NYSLERS and 20 in NYSLPFRS as of March 31, 2025.

Summary of relevant resources:

Membership data as of March 31, 2025 was used to measure the impact of the bill, the same data used in the Actuarial Valuations dated April 1, 2025. Distributions and other statistics can be found in the 2025 Report of the Actuary and the 2025 Annual Comprehensive Financial Report. The actuarial assumptions and methods used are described in the 2025 Annual Report to the Comptroller on Actuarial Assumptions, and the Codes, Rules and Regulations of the State of New York: Audit and Control. The fair value of assets and GASB disclosures can be found in the 2025 Financial Statements and Supplementary Information.

Assumptions, demographics, and other considerations may have been modified to better reflect specific provisions of any proposed benefit change(s).

This fiscal note does not constitute a legal opinion on the viability of the bill, nor is it intended to serve as a substitute for the professional judgment of an attorney.

This estimate, dated January 5, 2026, and intended for use only during the 2026 Legislative Session, is Fiscal Note Number 2026-13. As Chief Actuary of the New York State and Local Retirement System (NYSLRS), I, Aaron Schottin Young, hereby certify that this analysis complies with applicable Actuarial Standards of Practice as well as the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion of the American Academy of Actuaries, of which I am a member. I am a member of NYSLRS but do not believe it impairs my objectivity.